

**NASHVILLE, TENNESSEE**  
**April 19, 2017**

**APPLICATION OF TENNESSEE INDEPENDENT  
TELECOMMUNICATIONS GROUP, LLC D/B/A IRIS  
NETWORKS TO EXPAND ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY TO OPERATE  
STATEWIDE AS A COMPETITIVE LOCAL EXCHANGE  
CARRIER PROVIDING A FULL ARRAY OF INTRASTATE  
TELECOMMUNICATIONS SERVICES**

## INITIAL ORDER GRANTING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

This matter came before the Hearing Officer of the Tennessee Public Utility Commission<sup>1</sup> (the “Commission” or “TPUC”) at a Hearing held on April 10, 2017 to consider the *Application of Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks for an Expanded Certificate of Convenience and Necessity to Operate Statewide as a Competitive Local Exchange Carrier* (the “Application”) filed by Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks (“Iris” or “Applicant”) on March 9, 2017. In its *Application*, Iris seeks to expand its Certificate of Public Convenience and Necessity (“CCN”) for authority to provide competing local telecommunications services within the entirety of the State of Tennessee.

<sup>1</sup> The Tennessee Regulatory Authority changed its name to the Tennessee Public Utility Commission effective April 4, 2017. *See* 2017 Tenn. Pub. Acts Ch. 94. Statutory references and quotations within this Order were published prior to the effective date of the name change. Therefore, references therein to the Tennessee Regulatory Authority, TRA and/or Authority refer to the Tennessee Public Utility Commission.

## **LEGAL STANDARD**

Iris' *Application* was made pursuant to and considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201 (2015) which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the Authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system, or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate ....

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(c) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds:

(1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders; and

(2) The applicant possesses sufficient managerial, financial, and technical abilities to provide the applied for services.

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Furthermore, pursuant to Tenn. Code Ann. § 65-5-112 (2015), a competing telecommunications provider is required to file with the Commission a small and minority-owned telecommunications business participation plan which provides a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses and information on programs that might provide technical assistance to such businesses.

### **HEARING ON THE MERITS**

Pursuant to Tenn. Code Ann. § 65-4-204 (2015), public notice of the Hearing in this matter was issued by the Hearing Officer on March 29, 2017. No persons sought intervention prior to or during the Hearing. Mr. Melvin J. Malone, counsel for Iris, appeared personally at the Hearing and facilitated the testimony of Mr. Terry Metze, President of Iris.

Thereafter, Mr. Metze participated in the Hearing, adopted his pre-filed testimony and was subject to examination by the Hearing Officer. During the Hearing, Mr. Metze stated that Iris has been operating pursuant to a CCN to provide carriers' carrier and competitive access services throughout the state. Mr. Metze further stated that Iris intends to expand into rural areas of Tennessee to bring more competitive services through competitive local exchange carrier service. Mr. Metze also briefly described Iris's managerial, financial and technical abilities, the previous issuance of a CCN to Iris and the history of service provided by Iris. Upon conclusion of the presentation of its proof, the Hearing Officer granted Iris's *Application* based upon the following findings of fact and conclusions of law:

#### **I. IRIS' QUALIFICATIONS**

1. Iris is a limited liability company organized under the laws of the State of Tennessee, originally established on November 25, 1998 and was licensed to transact business in Tennessee by the Secretary of State on said date.

2. The complete street address of the registered agent for Iris, Terry J. Metze, Jr., is 211 Commerce Street, Ste. 610, Nashville, TN 37201-1825. The complete street address of the corporate office of Iris is 211 Commerce Street, Ste. 610, Nashville, TN 37201-1825. The telephone number is (615) 425-2300.

3. The *Application* and information in the record indicate that Iris has the requisite technical and managerial ability to provide competitive access services and transport telecommunications services within the State of Tennessee. Specifically, Iris's management team possesses extensive business, technical, operational and regulatory experience.

4. Iris has the necessary capital and financial ability to provide the services it proposes to offer.

5. Iris has represented that it will adhere to all applicable statutes, policies, rules and orders of the Commission.

6. Iris currently holds a CCN under which it provides competitive access services and transport services.<sup>2</sup>

## **II. PROPOSED SERVICES**

Iris intends to provide end user services to medium-sized business and enterprise customers and has no present plans to provide end user services to multi-tenant, small business or residential customers. Further, Iris intends to use leased or facilities-based Ethernet and fiber-based access to provide IP services and utilize other carriers' VoIP platforms for voice services until such time as Iris determines to provide VoIP services directly on its switching platform. Iris will offer directory services and E911.

## **III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY**

Iris's *Application* and its proposed services would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets

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<sup>2</sup> See *Order Approving Application for Certificate of Public Convenience and Necessity*, In Re: Application of Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks for a Certificate of Public Convenience and Necessity to Provide Competitive Access Services and Transport Telecommunications Services within the State of Tennessee and Approval of the Franchise Agreement with the City of Knoxville, TPUC Docket No. 03-00581 (May 18, 2004) ("*2004 Iris Order*").

in the State and fostering the development of an efficient, technologically advanced statewide system of telecommunications services.

**IV. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN AND BUSINESS ASSISTANCE PROGRAM**

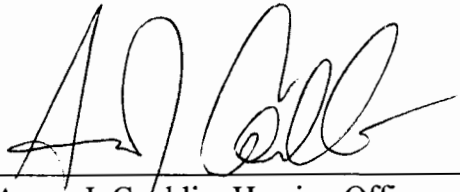
Iris has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2015) and the Commission's Rules.

**IT IS THEREFORE ORDERED THAT:**

1. The *Application of Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks for an Expanded Certificate of Convenience and Necessity to Operate Statewide as a Competitive Local Exchange Carrier* is approved.

2. Any party aggrieved by the Hearing Officer's decision in this matter may file a petition for reconsideration within fifteen days from the date of this Order.

3. This Initial Order shall become a Final Order of the Tennessee Public Utility Commission, if no petition for reconsideration or appeal of this Order is filed prior to the expiration of the fifteen-day appeal period.

  
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Aaron J. Conklin, Hearing Officer